# Natural Gas Prices DA

## 1NC Shell

### Natural Gas 1NC

#### Natural gas prices are high – demand is rising

Wilmoth 5/29/14 (Adam, “Natural gas prices rise as storage refills” <http://newsok.com/natural-gas-prices-rise-as-storage-refills/article/4864628/?page=2>)

The winter weather caused natural gas prices to rise as demand outpaced supply for the first time in six years. The price of natural gas closed at $4.58 Thursday on the New York Mercantile Exchange. While the price is up more than 240 percent from a low of $1.90 set in early 2012, the cost is still less than half the going rate throughout most of the world, and is still at a level where natural gas-powered electrical generation is competitive with other fuels. “I think you’ll see some demand destruction if you get much above $5.50 or $5.75, but I think the $4.50 to $5.25 range is palatable to the marketplace and is not bad for gas producers either,” said Tony Say, president of Oklahoma City-based Clearwater Energy. The higher prices are driven by natural gas demand. April and May are considered shoulder months because natural gas demand generally is lowest this time of year — fewer consumers are heating or cooling their homes and businesses. But demand has continued to be strong this year as producers have worked to refill storage that was depleted over the harsh winter. More than 2.4 trillion cubic feet of natural gas was withdrawn from reserves over the winter, dropping the country’s available storage to about 800 billion cubic feet, less than half of the five-year average.

#### [Insert specific link evidence]

#### Low prices result in natural gas exports

Slutz, President and Managing Director of Global Energy Strategies LLC, 12

(9/4, The Shale Gas Revolution Implications for U.S. and Canadian Energy Policy and Asian Energy Security, www.nbr.org/downloads/pdfs/ETA/Slutz\_interview\_09042012.pdf

It is important to appreciate that before natural gas exports can occur, industry must spend several billion dollars for each export terminal to build the liquefaction facility. To make this decision, companies must believe that U.S. natural gas prices will remain low enough and Asia prices high enough to make money on exports to Asia for the entire term of a 20-year contract. While the differentials between Asia and North America currently support trade, the cost of liquefaction and shipping will account for a significant amount of that differential. Asia’s LNG contracts are based on oil prices. At oil prices below $80 per barrel, importing LNG from North America is less attractive to Asian buyers. As oil prices rise, the economics of importing gas from North America become more attractive. The United States does have a very large resource base, which will support production of more natural gas than will be consumed domestically. The market, not government, will be the best mechanism to determine the extent of exports. Most projections, including from the EIA, anticipate some level of North American gas exports in the next four to eight years. The level of exports will be determined by the cost of gas and the cost of converting it to LNG, as well as the cost of transporting the gas to market. The United States has huge gas resources, but the cost of production varies between different areas. While there is plenty of gas for domestic use and exports, as we move into areas that cost more to develop, there is less incentive to export gas. The other important issue to remember is that significant gas resources exist around the world. Gas exports from the United States directly compete with other supplies and the least costly supplies will be the ones that go to market. Economics will ultimately determine how much gas is exported.

**US gas exports collapse the Russian economy**

Mead, Professor of Foreign Affairs at Bard, 12

(North American Shale Gas Gives Russia Serious Headache, blogs.the-american-interest.com/wrm/2012/04/25/north-american-shale-gas-gives-russia-serious-headache/)

North America’s shale gas boom is chipping away at the market for gas producers like Russia. What’s more, if the United States becomes a gas exporter, Russia’s customers (especially in Europe) could decide to cancel expensive contracts with Gazprom in favor of cheaper American natural gas. “If the US starts exporting LNG to Europe and Asia, it gives [customers there] an argument to renegotiate their prices with Gazprom and Qatar, and they will do it,” says Jean Abiteboul, head of Cheniere supply & marketing. Gazprom supplied 27 percent of Europe’s natural gas in 2011. While American gas is trading below $2 per MMBTU (million British thermal units), Gazprom’s prices are tied to crude oil markets, and its long-term contracts charge customers roughly $13 per MMBTU, says the FT. European customers would love to reduce their dependence on Gazprom and start to import American gas. Already Gazprom has had to make concessions to its three biggest customers, and others are increasingly dissatisfied with their contracts. Worse, from Russia’s point of view: evidence that western and central Europe contain substantial shale gas reserves of their own. Fracking is unpopular in thickly populated, eco-friendly Europe, but so are high gas prices. All this ought to give Russia serious heartburn. Eroding Gazprom’s dominance of the European energy market would be a major check on Russian economic growth and political influence.

#### Extinction

Filger, columnist and founder of GlobalEconomicCrisis.com, 09

(Russian Economy Faces Disastrous Free Fall Contraction, www.huffingtonpost.com/sheldon-filger/russian-economy-faces-dis\_b\_201147.html)

In Russia, historically, economic health and political stability are intertwined to a degree that is rarely encountered in other major industrialized economies. It was the economic stagnation of the former Soviet Union that led to its political downfall. Similarly, Medvedev and Putin, both intimately acquainted with their nation's history, are unquestionably alarmed at the prospect that Russia's economic crisis will endanger the nation's political stability, achieved at great cost after years of chaos following the demise of the Soviet Union. Already, strikes and protests are occurring among rank and file workers facing unemployment or non-payment of their salaries. Recent polling demonstrates that the once supreme popularity ratings of Putin and Medvedev are eroding rapidly. Beyond the political elites are the financial oligarchs, who have been forced to deleverage, even unloading their yachts and executive jets in a desperate attempt to raise cash. Should the Russian economy deteriorate to the point where economic collapse is not out of the question, the impact will go far beyond the obvious accelerant such an outcome would be for the Global Economic Crisis. There is a geopolitical dimension that is even more relevant then the economic context. Despite its economic vulnerabilities and perceived decline from superpower status, Russia remains one of only two nations on earth with a nuclear arsenal of sufficient scope and capability to destroy the world as we know it. For that reason, it is not only President Medvedev and Prime Minister Putin who will be lying awake at nights over the prospect that a national economic crisis can transform itself into a virulent and destabilizing social and political upheaval. It just may be possible that U.S. President Barack Obama's national security team has already briefed him about the consequences of a major economic meltdown in Russia for the peace of the world. After all, the most recent national intelligence estimates put out by the U.S. intelligence community have already concluded that the Global Economic Crisis represents the greatest national security threat to the United States, due to its facilitating political instability in the world. During the years Boris Yeltsin ruled Russia, security forces responsible for guarding the nation's nuclear arsenal went without pay for months at a time, leading to fears that desperate personnel would illicitly sell nuclear weapons to terrorist organizations. If the current economic crisis in Russia were to deteriorate much further, how secure would the Russian nuclear arsenal remain? It may be that the financial impact of the Global Economic Crisis is its least dangerous consequence.

## Uniqueness

### Natural Gas Prices Rising

#### Natural gas prices are high and rising – stockpile filling

WSJ 6/14/14 (“Natural-Gas Stockpiles at a Low” <http://online.barrons.com/news/articles/SB50001424053111903583804579614280450762734>)

Natural-gas prices are due to get more than the usual summertime boost. That's because the U.S. has a big hole to fill in its stockpiles. Natural gas is most in demand in summer, when utilities use the gas to generate electricity to meet demand for air conditioning, and in winter, when the gas is burned to heat homes. Last winter brought freezing temperatures to the U.S., and demand for the fuel ran stockpiles down to the lowest level in 11 years. The cold weather also continued for longer, reaching into early May. That has cut into the time producers have had to rebuild stockpiles. April and May are crucial for replenishment; Deutsche Bank says about 47% of the gas added to storage over the summer is done in the second quarter. Natural-gas investors are betting that stockpiles won't reach adequate levels before next winter, and they're buying gas now in anticipation of even higher prices ahead.

## Links

### Natural Gas

#### Increased supply lowers prices

EIA 2012 (April 10, “What are the major factors affecting natural gas prices?” <http://www.eia.gov/tools/faqs/faq.cfm?id=43&t=8>)

Natural gas prices are mainly a function of market supply and demand. Because there are limited short term alternatives to natural gas as a heating fuel and as a fuel for electricity generators during peak demand periods, changes in supply or demand over a short period may result in large price changes. Prices themselves often act to balance supply and demand. Factors on the supply side that affect prices include natural gas production, net imports, and underground storage levels. Increases in supply tend to pull prices down, while decreases in supply tend to push prices up. Increases in prices tend to encourage production and imports and sales from storage inventories, and declining prices tend to have the opposite effects.

### Nuclear

#### Expanding nuclear power creates energy abundance – drives down gas prices

Adams, Chief Contributor for Atomic Energy Insights and small nuclear plant operator/designer, 2/2

(13, Should customers allow natural gas to push nuclear out of market?, atomicinsights.com/2013/02/should-customers-allow-natural-gas-to-push-nuclear-out-of-market.html)

There should be no question that higher natural gas prices are the inevitable result of shutting operating nuclear plants, exporting liquified natural gas, and reducing drilling. It is no secret for anyone who listens to earnings calls for natural gas production companies that they are hurting and doing everything in their power to push prices to more profitable levels. If you are in a business that is enjoying low natural gas prices or if you are a consumer who owns a home that uses gas for heating, you should consider joining forces with the owners of any of your local nuclear power plants. Help them advocate for changes that will reduce the externally imposed costs of keeping them running so that they can help keep the energy supply abundant and favorable to consumers. Please understand that the issue is not like mothballing a coal plant; if a nuclear plant owner gives up the plant operating license in order to save the $4.7 million per year in fees to the federal regulator it can take many years to recover that license. There is only one instance that I know of where a shuttered plant was brought back to life, and I am not even sure that plant gave up its operating license.

### Renewables

#### Renewable expansion inherently competes with demand for gas

Weber, Associate Professor of Mechanical Engineering at The University of Texas at Austin, 12

(May, THE LOOMING NATURAL GAS TRANSITION IN THE UNITED STATES, [www.c2es.org/docUploads/natural-gas-transition-us.pdf](http://www.c2es.org/docUploads/natural-gas-transition-us.pdf))

For the most part, the relationship between natural gas and renewables is interpreted as competition in the power sector, by which renewables are seen as a threat to natural gas because they push natural gas-fired power plants off the bid stack. This phenomenon occurs because the power markets take bids on marginal costs, rather than all-in costs. Because the marginal cost of wind is zero, it bids zero (or negative in some cases, reflecting the effect of production tax credits for wind power). Consequently, it is a price-taker in the markets, and displaces the highest bidders, which are the price-setters. Historically, those price-setters are natural gas power plants, and so wind power displaces natural gas. Consequently the relationship between gas and wind is one of rivalry. Natural gas interests audibly complain about this rivalry, with the criticism that policy supports for wind give it an unfair advantage in this competition. Renewable energy supporters counter that gas interests are not required to pay for their pollution (which is a form of indirect subsidy) and have enjoyed government largesse in one form or another for many decades.

### Oil Prices

#### Natural gas and oil prices are linked – high oil prices maintain high natural gas prices

Hartley et al. 2007 – prof of economics at Rice University (November, Peter, Kenneth B. Medlock, and Jennifer Rosenthal, “The Relationship between Crude Oil and Natural Gas Prices” <http://www.bakerinstitute.org/publications/ng_relationship-nov07.pdf>)

Importantly, we conclude that U.S. natural gas and crude oil prices remain linked in their long-term movements. We demonstrate that the narrowing in the relative long-term price relationship between U.S. crude oil benchmark WTI and Henry Hub natural gas prices reflects the widespread adoption of combined cycle gas turbines (CCGT), which has increased the efficiency of using natural gas to generate electricity in place of oil-based fuel. In addition, we find that the ratio of the price of WTI crude to the price of natural gas at the Henry Hub will tend to remain about 40% lower than it would have been a decade ago, barring additional technological changes in user facilities. One implication of this finding is that, if international crude oil prices remain high, U.S. natural gas prices are unlikely to collapse substantially over the long term.

#### The relationship only goes one way – natural gas prices don’t affect oil prices

Hartley et al. 2007 – prof of economics at Rice University (November, Peter, Kenneth B. Medlock, and Jennifer Rosenthal, “The Relationship between Crude Oil and Natural Gas Prices” <http://www.bakerinstitute.org/publications/ng_relationship-nov07.pdf>)

The second point, which is closely related to the first, is that the results indicate that crude oil prices are weakly exogenous to a system that includes the natural gas and residual fuel oil prices. More specifically, the results suggest that U.S. natural gas and residual fuel oil prices tend to respond to movements in the international crude oil market but that the reverse is not true. Thus, disequilibria in the long run relationship between natural gas and residual fuel oil prices can be driven by random shocks to the international crude oil market, which themselves influence disequilibria in the long run relationship between the prices of residual fuel oil and crude oil. Nevertheless, the system of equations we estimated indicates that the long run relationships will ultimately be reached after some period of adjustment. Therefore, an increase in global crude oil price will ultimately result in a higher residual fuel oil price and, hence, a higher natural gas price.

#### Increased oil production makes natural gas prices fall – they drill for both at the same time

Bloomberg 2012 (“High Oil Prices Cut the Cost of Natural Gas” <http://www.businessweek.com/articles/2012-04-19/high-oil-prices-cut-the-cost-of-natural-gas>)

One reason: Oil drillers produce gas as a byproduct, and with oil prices high, oil drilling is in gear. “It’s very attractive to drill for oil, so that will continue,” says Grubert. “Associated gas from oil wells will offset reduced drilling specifically for natural gas.” The warm winter, which reduced demand for natural gas used for heating, also helped keep supplies high. Gas pumped as a byproduct of oil and other liquids will represent 75 percent of the increase in natural gas production this year and as much as 90 percent next year, according to Barclays (BCS) research. Such byproducted output, as it is called, will probably keep rising as long as oil remains above $75 a barrel, the bank says.

### 2NC Link Magnifier

#### Increases are zero-sum – flat demand

Bump 2012 (August 22, Philip, “Mixed blessing: U.S. power demand will stay flat for a while” <http://grist.org/news/mixed-blessing-u-s-power-demand-will-stay-flat-for-a-while/>)

In his assessment of why the U.S. led the world in cutting CO2 emissions last month, David Roberts noted that the recession flattened demand for electricity.¶ A forecast out today suggests that demand will stay flat for some time to come. From FuelFix:¶ The nation’s power demand will grow by about 1.1 percent [a year] through 2030, Wood Mackenzie analysts projected, instead of the nearly 2 percent growth experienced during past two decades.¶ In other words, the level of electricity the country was expected to use by 2019 now won’t be reached until 2030, the firm forecasted.¶ U.S. electricity consumption, 2000-2011¶ Again, the culprit is the economy — and the impacts won’t only be felt by fossil-fuel companies.¶ As the slow economy suppressed power demand, efforts to reduce electricity use through government mandates on light bulbs and improve the energy efficiency of home appliances have further stripped the nation’s need for electricity.

## Impacts

### 2NC Flaring Impact

#### Low prices cause flaring

Weber, Associate Professor of Mechanical Engineering at The University of Texas at Austin, 12

(May, THE LOOMING NATURAL GAS TRANSITION IN THE UNITED STATES, [www.c2es.org/docUploads/natural-gas-transition-us.pdf](http://www.c2es.org/docUploads/natural-gas-transition-us.pdf))

These attractive market opportunities are offset in some respects by the negative environmental impacts that are occurring from production in the Bakken and Eagle Ford shale plays in North Dakota and Texas. At those locations, significant volumes of gases are flared because the gas is too inexpensive to justify rapid construction of the pricey distribution systems that would be necessary to move the fuel to markets. Consequently, for many operators it ends up being cheaper in many cases to flare the gas rather than to harness and distribute it.

#### Flaring depletes the ozone layer - extinction

Osai, Professor of Social Sciences at The Rivers State College of Arts and Science, 02

(SHELL AS AGAMA LIZARD, www.waado.org/Environment/OilCompanies/Shell-Communities/ShellsFalsePR.html)

Talking of the impact of gas flaring on the environment, in 1984/85, I was part of a team of professors and graduate students from the Faculty of Social Sciences of the University of Port Harcourt that undertook a field trip to what is now called the Orashi Region. I guided the team to the gas flare site at Obagi, Obrikom, Ebocha, Ukwugba and Izombe. From one site to another, we took sample of cassava and other crops; we observed the plantains, palm trees and the general vegetation within a certain radius of the gas flared racks and we noted that though the cassava stems and leaves looked unaffected, their tubers were rotten. We also observed a pathetic degeneration from the lush vegetation with giant trees that used to be a rustic meadow; giant racks, spewing roaring flames into the sky had taken the place of the giant trees. These findings were published in Newswatch. It is, therefore, an insult on the collective intellect of the peoples of the Niger Delta for Shell to aver that "gas flaring is not detrimental to the immediate environment." Matter-of-factly, the statement is an insult on the collective intellect of humanity, which is facing imminent extinction as a result of the depletion of the ozone layer - a phenomenon that gas flaring contributes immensely to. Incidentally, I did my administrative internship in 1977 at the Cleveland Division of Air Pollution Control, Cleveland, Ohio, USA and I think I learned quite a bit about pollution and its negative impact on the environment - immediate or otherwise.

### Extension: Low Prices 🡪 Flaring

#### Only rising gas prices can make flaring uneconomical

New Scientist 07

(Rising prices could end wasteful gas flaring, www.newscientist.com/article/dn12250-rising-prices-could-end-wasteful-gas-flaring.html)

Dwindling energy supplies and rising gas prices could soon make gas flaring unprofitable, say researchers, saving billions of dollars' worth of natural gas from going up in smoke. Historically, producers have simply burned gas found alongside oil if it was too difficult and costly to recover and sell it. In recent years, concerns about global warming have added to pressure to end the practice. But analysts say harsh economic reality is the factor that really concentrates minds. The US National Oceanic and Atmospheric Administration (NOAA) estimates that 168 billion cubic metres (bcm) of gas were flared in 2006 - equivalent to 27% of the US natural gas consumption (read NOAA's gas flaring report). NOAA says the flared gas could have fetched $69 billion if sold. "Until you start to put real value into gas prices, you might as well flare. But now gas prices are getting to the point where it's worth collecting," says Jonathan Stern of the Oxford Institute for Energy Studies in the UK.

#### Natural gas prices determine flaring

GAO 2004

(United States Government Accountability Office, Report to the Honorable Jeff Bingaman, Ranking Minority Member, Committee on Energy and Natural Resources, U.S. Senate, July 2004, http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=gao&docid=f:d04809.pdf )

Although most natural gas production involves extracting gas from wells drilled into underground gas reservoirs, some natural gas is generated as a by-product of oil production. Gas produced during oil production is called associated gas. During oil and gas production, it may be necessary to burn or release natural gas for a number of operational reasons, including lowering the pressure to ensure safety. Burning natural gas is known as flaring, while releasing natural gas directly into the atmosphere is called venting. In addition to the operational reasons for flaring and venting, in areas where the primary purpose of drilling is to produce oil, producers flare or vent associated natural gas because no local market exists for the gas and transporting it to a market may not be economically feasible. Natural gas prices are a major determinant of whether associated gas is flared and vented or sold. Associated natural gas would be sold if prices were high enough over a long enough period to justify building the infrastructure—pipelines and ports—to transport the gas to a market. In the United States, there are well-developed natural gas markets and infrastructure to reduce the flaring and venting of associated natural gas. However, in parts of the world like Africa and the Middle East, where the natural gas market and infrastructure for transporting gas are not as welldeveloped, flaring and venting are generally more prevalent. With increases in natural gas prices, some countries have recognized the potential of increasing exports to high-demand countries like the United States using liquefied natural gas (LNG) technology. These countries liquefy the natural gas and transport it in specially designed tanker ships to the United States and other countries. When the liquefied gas arrives at an import facility, the liquid is returned to a gaseous state and transported to a market.

### AT: Russian Econ Collapse Inevitable

#### Russian economic growth is stable – reforms are working

RU Facts 1/24

(13, Economic growth is irreversible, ru-facts.com/news/view/13806.html)

The authoritative international analytical organizations in the recent researches forecasts (December 2012 – January 2013) note stable development of the Russian economy. Unlike remaining negative economic tendencies in the majority of the industrial countries, especially in the eurozone. It is thus specified that the modernization socio-economic policy in Russia, initiated by president Vladimir Putin, allows the country to keep optimum rates of economic growth and, respectively, to prevent “import” of crises from a number of the industrial countries. First of all, – from the region of an eurocurrency zone. So, the European bank of reconstruction and development (European Reconstruction and Development Bank) raised the forecast of growth of gross domestic product of Russia in 2013 with 3,3 to 3,5–3,6%. According to the European Reconstruction and Development Bank, carefully verified budgetary and all-economic policy in Russia allows to predict bigger level of its financial stability. And higher rates of economic development of the Russian Federation, including in the come year. In difference, besides, from the majority of member countries of the European Union. In turn, the International organization of creditors (WOC) notes that “locomotives” industrial and as a whole social and economic development of the Russian Federation nowadays are Moscow, the Moscow region, St. Petersburg, Bashkortostan, the Samara and Chelyabinsk areas. Their cumulative internal regional product increased for 2010-2012 more than for 20%, and this tendency on these regions will remain in 2013. And it, meaning rather high rates of economic growth, in 2013-2014 for certain will extend on a number of subjects of Federation in Uralsk, Far East, Volga, North Western federal districts. Similar estimates at IMF. Head of mission of Fund in Russia Antonio Spilimbero declared in Moscow on January 23: “National economy develops steadily against low unemployment and the greatest possible use of capacities”. According to him, the IMF predicts steady – 3,6–3,8% – economic growth in Russia in 2013-2014. That “it is optimum and taking into account flowing inside - and the external economic factors”.

## Aff Answers

### No Link

#### No link – low storage levels will maintain prices and other energy types don’t affect price

Wilmoth 5/29/14 (Adam, “Natural gas prices rise as storage refills” <http://newsok.com/natural-gas-prices-rise-as-storage-refills/article/4864628/?page=2>)

Low storage levels likely will keep prices from falling anytime soon. “In my opinion, it’s going to continue to rise somewhat from here,” Say said. “I think that by midsummer, we’ll see $5-plus prices, primarily because of storage refill. We’ve got a long ways to go. Even the more optimistic guys who watch storage levels seem to think we’re going to be at 3.4 (trillion cubic feet) to 3.5 (trillion cubic feet) when the injection season ends and the withdrawal season begins. That’s not very comfortable given the fact that we used almost 2.4 tcf last winter.” The country’s natural gas production has held steady in recent years even as producers increasingly have focused on more lucrative oil prospects. Natural gas production is expected to increase beginning in 2016 as new pipelines begin to move the fuel out of growing natural gas fields in the Pennsylvania and Ohio regions. The pipeline projects are expected to become operational in time to help deliver fuel for the first of the country’s new liquified natural gas export terminals along the Louisiana Gulf Coast and as new and expanded manufacturing and chemicals plants are expected to come online.

### Non-Unique

#### Natural gas prices are falling – stockpile estimates were wrong

Bloomberg 6/2/14 (“Gas Speculators Least Bullish of ’14 as Prices Retreat” <http://www.bloomberg.com/news/2014-06-01/natural-gas-bets-drop.html>)

Natural-gas stockpiles are recovering faster than estimated from a winter battering in the U.S., with prices now 30 percent below a peak in February. Hedge funds reduced their bets on a rally for a fifth week and to the lowest level since December, U.S. Commodity Futures Trading Commission data show. Prices dropped 5.7 percent in May as inventory gains surpassed analysts’ estimates for four consecutive weeks. Stockpiles are now 40 percent below the five-year average level, compared with 50 percent in April. “We’ve had a pretty mild May and that’s raised hopes that these big storage injections will continue all summer,” Phil Flynn, a senior market analyst at Price Futures Group in Chicago, said by phone May 30. “There’s growing optimism about the supply picture.”

### AT: Russian Economy Impact

#### Conflict in Ukraine means the Russian economy will inevitably collapse

ITAR-TASS 6/18/14 (“Protracted conflict in Ukraine may weaken Russian rouble — Central Bank” <http://en.itar-tass.com/economy/736654>)

A protracted conflict in Ukraine may cause the rouble to weaken in the second half of 2014, the Central Bank said on Wednesday, June 18. “If the resolution of the conflict in Ukraine drags on, the Russian economy may face both direct and indirect consequences,” the Bank said. This and possible losses from dwindling trade and increased risks for the transit of Russian gas to Europe may lead to expectations of broader US and EU sanctions against Russia, which will negatively affect the outlook of international and domestic investors. The Bank also believes that this may cause further decline in business activity and weaken the rouble in the second half of the year as demand for rouble-denominated assets decreases.

### AT: Flaring Impact

#### World Bank requests solve flaring

Bloomberg 6/18/14 (“World Bank Will Ask Oil Companies to Stop Flaring Gas by 2030” <http://www.bloomberg.com/news/2014-06-18/world-bank-will-ask-oil-companies-to-stop-flaring-gas-by-2030.html>)

The World Bank will urge producers of oil to stop flaring natural gas by 2030, saying the amount of fuel wasted in the practice would generate enough power to meet all of Africa’s demand for electricity. “It will be voluntary but we hope that both companies and countries will see the sense in what we are proposing,” Anita George in the bank’s extractive industry unit said in a Moscow interview. “We are planning to propose it in September.” The World Bank is leading 33 companies and nations in the Global Gas Flaring Reduction partnership that seeks to shrink the industry custom by 30 percent in the five years to 2017. The gas is pumped from fields when companies drill for oil.